

Delegated Officer Decision

Report Title

Calculation of the Council Tax Base for 2021/22

Assistant Director Approving Submission of the Report

Graham Saxton, Assistant Director – Financial Services

Report Author(s)

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Ward(s) Affected

Borough-Wide

Executive Summary

To determine the Council's Tax Base for 2021/22.

Report Summary

This report sets out the calculation of the Council Tax Base for the 2021/22 financial year.

This calculation takes into account:

- the total number of dwellings in the Borough and their banding;
- the Council's own Local Council Tax Support Scheme (CTSS);
- other discounts, exemptions and premiums on second homes and empty properties;
- the projected in-year tax collection rate in 2021/22;
- estimates of the changes and adjustments in the tax base that occur during the financial year including the construction of new properties: and
- The impact of the Covid pandemic on tax collection rates.

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 governing its calculation, it is determined that the Council's Tax Base for the financial year 2021/22 is 70,760.52 Band D Equivalent Properties.

Recommendations

That the Strategic Director – Finance and Customer Services determines that the amount calculated by the Council as its Council tax Base and those of the Parish Councils shown at Appendix 1 for 2021/22 shall be a total of 70,994.74 Band D Equivalent Properties.

List of Appendices Included

Appendix 1 The Council Tax Base for 2021/22

Background Papers

1. Local Authorities (Calculation of Council Tax Base) Regulations 2012 (Statutory Instrument 2012 no 2914)
2. Review of the Local Council Tax Support Scheme – Council 24th January 2018.
3. Increase in Council Tax Empty Property Premium Report to Cabinet 17th December 2018.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No.

Council Approval Required

No

Exempt from the Press and Public

No.

Determination of the Council Tax Base for 2021/22

1.	Background
1.1	Setting the Tax Base is an integral part of the Budget setting process and the determination of the Council Tax level. The Tax Base must be calculated in accordance with regulations under Section 33(5) of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012. The regulations specify the period for the calculation of the tax, between 1 st December and 31 st January in the financial year preceding that for which the calculation of the Council Tax Base is made, is set by the regulations.
2.	Key Issues
2.1	The calculation of the Tax Base takes into account several factors: <ul style="list-style-type: none"> • The total number of dwellings in the Borough and their banding; • The Council's own Local Council Tax Support Scheme (CTSS), • Council Tax discounts, exemptions and premiums; • The projected level of Council Tax discounts and exemptions awarded; • Estimates and projections reflecting the changes and adjustments in the Tax Base that occur during the financial year, in particular, newly built properties; and • An estimate of the future tax collection rate at 96%.
2.2	The Local Council Tax Support Scheme operates as a discount on claimant's Council Tax bills and its effect is to reduce the Council Tax Base. The current scheme, applicable from 2018/19, was approved by Council on 24 th January 2018. There are no proposals to change the scheme for 2021/22.
2.3	It is considered that the continuing Covid 19 economic pressures on the Borough into 2021/22 are likely to have a negative effect on the in-year Council Tax collection rate. Consequently a 96% in-year collection rate has been used rather than the 97% rate used for the 2020/21 taxbase calculation.
2.4	Taking account of the above factors, the Council's Tax Base for 2021/22 has been calculated as 70,760.52 Band D equivalent properties. This is 234.22 Band D equivalent properties or 0.33% less than in 2020/21.
2.5	The reduction of 1% in the collection rate is partly offset by a growth of 0.7% in the number of Band D Equivalent properties in the tax base. As in previous financial years there has been significant growth within the new parish of Waverley – an increase of 16.8% and at Catcliffe where the council tax base has increased by 4.9%. The Tax Base includes estimated numbers of new build properties that will be added before the end of 2021/22.
2.5	The Tax Base for the Council as a whole (both Parished and Unparished areas) is summarised in the table below.

Tax Band	Band D Equivalent Properties
Band A	27,277.24
Band B	14,719.11
Band C	11,786.13
Band D	8,259.05
Band E	5,173.05
Band F	2,378.30
Band G	1,103.10
Band H	64.54
TOTAL	70,760.52

Details of the Council Tax Base by Band for Parish Councils are set out in the attached Appendix.

3. **Options considered and recommended proposal**

3.1 The Council Tax Base calculation takes account of the Local Council Tax Support Scheme, Empty Property Premiums and estimated numbers of properties that will be constructed and completed in the coming year.

3.2 The Council has an established record of good performance with respect to Council Tax collection.

3.4 The ongoing impact of the Covid 19 pandemic on Council Tax collection rates has been assessed and it is considered prudent and realistic to set the estimated collection rate at 96% for the Council Tax Base calculation for 2021/22.

4. **Consultation on proposal**

4.1 The Council Tax Base is a key part of the Council's budget setting process. The Tax Base is central in determining the amount of Council Tax income that will be raised each year and represents a significant proportion of the Council's revenue resources for the coming financial year.

4.2 The major precepting authorities; the South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority, will be notified of the proposed Council Tax Bases for 2021/22 before the Statutory

	deadline of 31 st January 2021. Details of the proposed Council Tax Base will also be circulated to Parish and Town Councils to assist them in preparing their budgets.
5.	Timetable and Accountability for Implementing this Decision
5.1	The Council is required to have determined its Tax Base by 31 st January in the preceding financial year and subject to approval, details of the 2021/22 Tax Base will be confirmed with both Major Preceptors and Parish and Town Councils line with the statutory deadline.
6.	Financial and Procurement Advice and Implications
6.1	Determining the Council Tax Base is a fundamental part of the Council's budget setting process. The Tax Base is central in determining the amount of Council Tax income that will be raised, representing a significant proportion of the Council's revenue resources for the coming financial year.
6.2	There are no direct procurement implications arising from the report.
7.	Legal Advice and Implications
7.1	No direct legal implications.
8.	Human Resources Advice and Implications
8.1	No direct implications.
9.	Implications for Children and Young People and Vulnerable Adults
9.1	No direct implications
10.	Equalities and Human Rights Advice and Implications
10.1	No direct implications
11.	Implications for Partners
11.1	Their respective Council Tax Bases will affect the Council Tax Precepts determined by the South Yorkshire Police and Crime Commissioner, the South Yorkshire Fire and Rescue Authority and, Parish and Town Councils.
12.	Risks and Mitigation
12.1	As the Council Tax Base must be set by the 31 January 2021, it contains an estimate of future collection rates and projections in respect of the new properties, adjustments, discounts and reliefs to be granted and premiums charged before the 31 March 2021 and during the 2021/22 financial year, including the projected cost of the Council's CTSS. Although the Council has over several years sustained its position as one of the best performing

	metropolitan authorities nationally for Council Tax collection, it has been considered prudent in light of the ongoing Covid 19 pandemic and the associated economic pressures to set the collection rate at 96% for 2021/22 compared with 97% for 2020/21. As in previous financial years performance in Council Tax collection rates will continue to be closely monitored during the year.
13.	Accountable Officers
	Anne Ellis Finance Manager Strategic Finance